BAY-DELTA URBAN COALITION

August 13, 1998

Mr. Lester A. Snow, Executive Director CALFED Bay-Delta Program 1416 Ninth Street, Suite 1155 Sacramento, CA 95814

Subject:

Comments on Developing a Draft Preferred Program Alternative - August

5th Version

Dear Mr. Snow:

The objective of the Bay-Delta Urban Coalition is to develop long-term recommendations for a broad-based consensus agreement on a specific plan that will provide for Bay-Delta ecosystem restoration, increased water supply reliability and drinking water quality protection. The Urban Coalition consists of 11 agencies¹ representing over 22 million people in urban communities around the state and a region which forms a cornerstone in the state's thriving economy.

The Bay-Delta Urban Coalition has reviewed the August 5th version of the Stage I document titled, "Developing a Draft Preferred Program Alternative" and forwards the following comments and requests for modifications, which are essential if the process is to achieve CALFED's goals and reach a result which serves our 22 million water customers.

Bay-Delta Urban Coalition Commitment to CALFED

The Urban Coalition believes the CALFED process of consensus building is the best means for reducing conflict among Bay-Delta uses. We appreciate CALFED's recognition of our concerns to date and remain committed to working out the difficult issues with CALFED to achieve a mutually beneficial Solution to the problems within the Bay-Delta for all water users.

Bay-Delta Solution Cannot Fix All of California's Water Problems

We agree with CALFED that the Bay-Delta Solution is a crucial step but the Solution cannot provide an all-inclusive fix to the water supply and water quality problems that exist within the State today. For this reason, the Urban Coalition agencies are committed, in addition to a successful CALFED result, to developing alternative sources of water supply and cost-effective water treatment and, have developed individual Integrated Resource Plans (IRPs) to ascertain the appropriate mix of supplies for each agency. These IRPs shift urban water management strategies from relying predominately on new supplies from the Bay-Delta toward a more balanced strategy which includes local investments in conservation, recycling, groundwater conjunctive use, and water transfers.

¹ Bay-Delta Urban Coalition agencies include Alameda County Water District, Central Coast Water Authority, City and County of San Francisco Public Utilities Commission, Coachella Valley Water District, East Bay Municipal Utility District, Metropolitan Water District of Southern California, Municipal Water District of Orange County, San Diego County Water Authority, Santa Clara Valley Water District, Solano County Water Agency and Central/West Basin Municipal Water District.

Long-Term Solution and Staging

The Urban Coalition supports a long-term Solution for the Bay-Delta. While we support implementation of the Solution in phases, provided that each phase delivers comparable and measurable benefits for each use of water, namely for urban, agricultural and environmental purposes - it is also essential that the phases be part and parcel of an incremental program which assures that the endpoint will eventually be reached. Therefore, the Stage I Plan and Final EIS/EIR must include assurances that a long-term Solution will be a part of any CALFED program. We believe it is essential for the Programmatic EIS/EIR to include findings which will allow program elements to proceed in tandem based on the needs identified in the programmatic document's preferred alternative. In addition, adequate funding must be secured to finance the implementation of Stage I actions including those elements identified as contingency actions.

Dual Conveyance and Isolated Facility Component Must Remain a Viable Option

We concur with CALFED's position that the Dual Conveyance Facility "must remain a viable option for potential future implementation." The Urban Coalition believes a dual conveyance facility consisting of an isolated component and through Delta improvements may be required to achieve long-term drinking water quality, water supply reliability, and fishery objectives. Urban agencies remain open to exploring other options proposed for resolving the issues related to the Bay-Delta. However, all options must remain under consideration by CALFED until it has been clearly demonstrated how future drinking water quality standards and fisheries enhancements can be met in an affordable, efficient manner from the Bay-Delta.

Source Water Quality for Drinking and Resource Management

CALFED must recognize that public health, economic and technical reasons will exclude water treatment as the sole measure to meet future drinking water quality standards. Urban water suppliers' investments in improved treatment technology must be coupled with securing higher source quality water. In order to expand recycling and groundwater management beyond current levels, water with lower total dissolved solids (TDS) is a prerequisite. Bay-Delta water quality today is well below that of the national average. CALFED must target to achieve water quality levels consistent with national averages (bromide of 50 ug/L, total organic carbon of 3 mg/L and TDS of 150 mg/L) as part of the long-term implementation plan and include actions in Stage I to obtain these objectives.

Soft Path Solutions are Not Stand Alone Solutions

A major portion of urban agencies' IRPs include large and ongoing investments in conservation, recycling, groundwater conjunctive use and water transfers. Success of these "soft path" investments depend largely on the availability of high quality water supplies, ability to divert wet year and wet period water to storage, and system capability for conveying transfers. Delta improvements which provide high quality supplies (low in salinity levels) are needed to enhance opportunities for recycling and groundwater conjunctive use. Reduction in the dependence on Delta supplies during dry periods requires the ability to increase diversions during wet periods in

order to bank those supplies in storage (groundwater storage and new surface storage if required) for high demand periods. A dependable water transfers market requires assured system capability to move the transferred water through the Delta in an efficient and effective manner with regulatory certainty.

Cost-effective soft path actions are a substantial portion of the urban water management strategy. These programs and actions could be enhanced if broader funding mechanisms are established for those that are not locally or regionally cost-effective. Therefore, we urge CALFED to develop such broad funding mechanisms to provide for the implementation of additional programs.

Water Use Efficiency Must Apply to All Water Uses

We support implementation of best management practices (BMPs) as a means to achieving urban water use efficiency. Urban water conservation progress and elements within the CALFED program should rely on locally determined actions and support of the California Urban Water Conservation Council's efforts to upgrade the performance of urban agencies best management practices (BMP) implementation, improve measures of BMPs and to further develop BMPs.

The CALFED program should recognize that uniform urban conservation or recycling programs are not appropriate because of regional and local differences in water use, sources and conservation and recycling potential.

Agricultural agencies should pursue locally determined conservation actions through agricultural water conservation plans which utilize a rigorous, standardized evaluation methodology incorporating a cost-effectiveness analysis within an integrated resources planning context, developed through a stakeholders process. Water conservation that reduces pollution to the Bay-Delta should be a priority.

Recognizing that environmental water use efficiency takes on a different meaning than water use efficiency for agricultural and urban use, water use for the environment must be held to similar high water use efficiency standards and requirements as those for urban and agricultural water users.

Assurances and Extension/Expansion of the Bay-Delta Accord

Because Stage I primarily includes planning and pilot studies regarding water supply reliability and water quality needs, it is important that the Bay-Delta Accord be extended to provide urban water users assurances that supply will not be reduced during the Stage I period. The Stage I Plan recommends extension of the Accord to the Record of Decision (ROD) which would provide certainty for the near-term. However, we believe the Accord must be extended, beyond the ROD to at least the end of Stage I, to provide the operational flexibility and regulatory certainty we require until a long-term CALFED Solution can be developed and agreed upon by stakeholders, state and federal agencies. Further, we support consideration of an Accord expansion to address issues such as area of origin protections, etc. Also, we believe that it will

be necessary for an implementation and cost sharing agreement to be included in the EIS/EIR as part of the long-term package in order to obtain broad stakeholder support to ensure successful implementation of the CALFED Bay-Delta Solution and offer to work with CALFED and other stakeholders to craft such agreements.

Need for Storage and Appropriate Conditions for Implementation

We support groundwater conjunctive use programs and the evaluation of new surface storage to provide increased operational flexibility as part of the CALFED Stage I Plan and long-term Solution. New surface storage could provide additional flexibility for water transfers and the ability to efficiently use storm flows for the environment and water users when the water is needed most.

The approach outlined in the Stage I draft conditions new surface storage on a certain percentage of the population being served by agencies that have implemented urban water management plans, best management practices and agricultural water management plans. As proposed, this condition is unclear and could burden certain regions within the state unfairly. We agree that some measure of conservation activities is warranted and are willing to work with CALFED and stakeholders to define appropriate measures of water use efficiency implementation.

Staged Implementation and Performance Evaluation of the Common Programs

The Urban Coalition supports staged implementation of the Common Programs to meet CALFED's program objectives. We believe that the Common Programs should also be implemented in an adaptive management approach so that linkages to other program elements can be established. For example, as currently written, the Stage I Plan sets no conditions for the ecosystem restoration program yet, heavily conditions implementation of storage and conveyance. It is critical that links be established between the Common and Variable Programs and a formal mechanism for review and evaluation of the Common Programs' performance be established to allow for cost-effective tests and for mid-course adjustments to be made.

Support for Ecosystem Restoration

The Urban Coalition supports a strong environmental program as part of a balanced and integrated CALFED package. The Ecosystem Restoration Program Plan (ERPP) is the principal environmental component of CALFED and a key part of its mandate is to address water supply reliability, water quality, system flexibility, and ecosystem needs in a comprehensive manner. The ERPP is designed to guide the biggest environmental restoration initiative in history by creating, from the ground up, a scientifically sound strategic plan for the effort, as well as the tools and institutional infrastructure needed to implement the program effectively and efficiently. In addition, the ERPP provides an opportunity to develop a creative collaborative dynamic among CALFED agencies and agricultural, urban and environmental stakeholder groups.

Water Transfers

We support CALFED's efforts to facilitate water transfers and believe voluntary water transfers and exchanges must be a component of an integrated and balanced CALFED package. In order to achieve the goal of a functioning water transfers market, we believe that some changes to the existing regulatory framework are necessary and improvements to system capability (e.g. south Delta improvements in Stage 1 with additional improvements for the long-term as necessary) to facilitate transfers are required.

CEQA/NEPA Requirements

The Stage I Plan contains actions proposed for immediate implementation and a decision process to determine actions for future incorporation into the CALFED program. Actions deemed necessary for immediate implementation must be included in the programmatic Environmental Impact Statement/Environmental Impact Report (EIS/EIR) to ensure these actions do not require additional environmental documentation beyond the umbrella provided by the programmatic EIS/EIR. Also, the programmatic EIS/EIR must include an assurance package element that focuses on the Endangered Species Act (ESA) in order to provide the certainty needed for water users in accepting CALFED's long-term Bay-Delta Solution.

This letter expresses the collective support of the Urban Coalition. We look forward to continuing our work with CALFED in the future as the Stage I Plan and long-term Solution are developed.

Regards,

BAY-DELTA URBAN COALITION STEERING COMMITTEE

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